

**Delaware Expenditure Review Committee
Bellevue Hall – Library – Wilmington, DE
Friday, November 6, 2015**

The Delaware Expenditure Review Committee met on Friday, November 6, 2015 at Bellevue Hall in Wilmington, Delaware. The following committee members and guests were present:

Committee Members:

Chairman Fred Sears, Delaware Community Foundation
Ann S. Visalli, Office of Management and Budget
Jack Riddle, Community Bank (via phone)
Mike Morton, Controller General's Office
Jeff Taschner, Delaware State Education Association
Dennis Greenhouse, Dennis E. Greenhouse Consulting
Lincoln Willis, Willis Chevrolet
Robert McMurray, Christiana Care
The Honorable Joshua Martin, DEFAC
Ed Ratledge, University of Delaware
Fred Cottrell, Richards, Layton & Finger
Richard Gessner, Capital One

Guests:

Brian Maxwell, Office of Management and Budget
Debra Gerardi, Office of Management and Budget
Meaghan Brennan, Office of Management and Budget
Jessica Eisenbrey, Office of Management and Budget
Rebecca Reichardt, Office of Management and Budget
John Cape, PFM
Randy Bauer, PFM
Jennifer Lydic, PFM
Lauren Vella, Delaware House of Representatives
Sean Finnigan, Delaware House of Representatives
Steve Groff, Department of Health and Social Services
Lisa Zimmerman, Department of Health and Social Services
Paul Morrill, Committee of 100
John Baker, DANA
Jonathan Kirsch, AHA/ASA
Kathy McGuinness

Introductions/Sign In

Chairman Sears called the meeting to order at 9:05 a.m.

Director Ann Visalli addressed the committee about moving two of the scheduled meetings to Kent County after receiving requests. The committee was in agreement with the following changes:

December 17 meeting will now be held in the Haslet Armory – Conference Room 219 in Dover, Delaware from 9:00 a.m. to 11:00 a.m. (location change only).

January 15 meeting will now be held in the Haslet Armory – Conference Room 219 in Dover, Delaware from 12:00 p.m. to 2:00 p.m. (location and time change).

Public Comments

There were no public comments.

Approval of Minutes

Chairman Sears requested a motion to approve the minutes from the October 23, 2015 meeting. Dennis Greenhouse made the motion and Josh Martin seconded the motion. Upon unanimous vote the minutes were approved.

PFM/DHSS Presentation on Medicaid

PFM provided a presentation to the committee on Medicaid. In the presentation, information was provided on services, funding, rates, spending, cost drivers and enrollment. Steve Groff, DMMA Director for the Department of Health and Social Services was present and was able to provide additional background information as well as answer questions that were presented by the committee members.

OMB Presentation on Department of Health and Social Services

Rebecca Reichardt, Office of Management and Budget Analyst for the Department of Health and Social Services, provided an overview of the department's expenditures along with the various sections within the department and their services.

Discussion of Subject for Future Meetings

During the course of the presentation there was discussion and more information requested on the following items:

- Lincoln Willis asked for more detailed information on per capita spending between states in relation to Medicaid.
- Rick Gessner asked for future projections on population demographics of Delaware Medicaid recipients.
- It was asked if PFM could provide further breakdown of the Medicaid cost by category of service (page 16).
- Lincoln Willis asked if we could provide the committee with the Delaware Medicaid Fraud Control and Program Integrity Report. OMB will provide to the committee members.
- Chairman Sears stated that the committee may need to come back to DHSS at a later date.
- Ed Ratledge made the comment that areas are growing faster than revenue (up 4% to 6%).

- Chairman Sears posed the question of, how can we drive down spending per capita?

At the conclusion of the presentation, Chairman Sears recommended areas to be discussed at future meetings:

Agencies:

Education

DeIDOT

DEDO

Other areas:

Pension

State retirees coming back as consultants

Fleet Management

Prevailing Wage

Overtime

Eliminating the Lt. Governor

Other Business

The next Delaware Expenditure Review Committee meeting is scheduled for Friday, November 20 at 1:00 p.m. at Blue Ball Barn – Hay Room – Wilmington, Delaware. The meeting was adjourned at 11:18 a.m.